

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST)	
ADJUSTMENT FILING OF)	CASE NO. 2002-00305
MILLENNIUM ENERGY, INC.)	

ORDER

On December 2, 1999, in Case No. 1999-00312, the Commission approved rates for Millennium Energy, Inc. (Millennium) and provided for their further adjustment in accordance with Millennium s gas cost adjustment (GCA) clause.

On August 14, 2002, Millennium filed its proposed Interim GCA to be effective September 1, 2002. Millennium requests a waiver of the 30-day notice period in order to pass through a recently contracted rate decrease. As this filing results in a rate decrease, the 30-day and 20-day notice requirements set out in KRS 278.180(1) are not applicable. KRS 278.180(2) allows a rate decrease to be implemented within a lesser period of time.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Millennium s notice includes revised rates designed to pass on to its customers its expected change in gas costs.
2. Millennium s expected gas cost (EGC) is \$3.7894 per Mcf, which is \$1.0832 per Mcf less than the previous EGC of \$4.8726.
3. Millennium s notice sets out no refund adjustment.

4. Millennium s notice sets no current quarter actual adjustment (AA).
Millennium s total AA remains at 33.35 cents per Mcf.

5. Millennium s notice sets out no current quarter balance adjustment (BA).
Millennium s total BA remains at 36.76 cents per Mcf.

6. Millennium s GCA is \$4.4905 per Mcf, which is \$1.0832 per Mcf less than
the previous rate of \$5.5737.

7. The rates in the Appendix to this Order are fair, just, and reasonable, in
the public interest, and should be approved for service rendered by Millennium on and
after September 1, 2002.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for service rendered
on and after September 1, 2002.

2. Within 20 days of the date of this Order, Millennium shall file with this
Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 29th day of August, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00305 DATED August 29, 2002

The following rates and charges are prescribed for the customers served by Millennium Energy, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Residential

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Customer Charge	\$6.00		\$6.00
All Mcf	\$4.00	\$4.4905	\$8.4905

Commercial and Industrial

Customer Charge	\$20.00		\$20.00
All Mcf	\$ 3.00	\$4.4905	\$ 7.4905